

# ***City of Minneapolis***

## **Job Bank Steering Committee Report**

### **PART I: 2002 HIRING FREEZE OVERVIEW**

#### **Hiring Freeze Background**

On January 22, 2002, the Mayor and Council Leadership requested the Department Heads to implement a hiring and promotion freeze due to a proposal by the Governor to reduce Local Government Aids to the City of Minneapolis and to manage the 2002 budget within the previous City Council's adopted budget cut of \$5.2 million.

The purpose of the hiring and promotion freeze was considered to be an interim measure to preserve the City's financial position, while the City prepared to implement long-term reductions in spending within the reduced level of revenue.

Since the hiring and promotion freeze was implemented, the City Council has adopted final amendments to the 2002 budget to accommodate the \$5.2 million budget cut adopted by the previous City Council. In addition, the State has not cut state revenue for the City of Minneapolis for the city's 2002 budget year.

Therefore, the Job Bank Steering Committee recommends that the Mayor and City Council lift the hiring freeze.

#### **Hiring Freeze Status Report**

The Job Bank Steering Committee began meeting weekly on February 5, 2002. Chuck Ballentine, Pat Born, Ann Eilbracht, Timothy Giles, John Moir, Robert Olson, Tammy Omdal, and David Sonnenberg serve as Job Bank Steering Committee members. In addition to their duties as the policy committee of the Job Bank Program, the committee reviews departmental requests for waivers to the hiring freeze. In doing so, they established the following waiver request criteria, which requires a department to provide the information supporting their request for a waiver.

1. There is an articulated urgency and risk for why the position must be filled during the hiring freeze from a business requirement perspective, regardless of the funding source.

2. The position is one that was approved in the 2002 budget, and it is funded by a source not affected by budget cuts.
3. If the waiver is approved and the position is filled, the department has a plan in place to ensure they meet their appropriated budget by the end of the year, recognizing the organization must hold open as many positions as possible to manage immediate financial challenges.

Since the implementation of the hiring freeze, the committee has reviewed 210 waiver requests from sixteen city departments. Of those, 205 have been approved, three were denied and two were not committee decisions and were referred back to the department. Of the approved waiver requests:

- 127 were for classified permanent, budgeted positions
- 36 were for temporary employees
- 20 were for temporary promotional details
- 12 were for contractors
- 7 were for student interns
- 2 were for appointed positions
- 1 was for divisional overtime

As of June 7, 2002, the Human Resources Information System identified 413 vacant positions throughout all city council departments. Some of these vacancies are the 127 waivers that were approved by the committee, but have not yet been filled. This indicates to the committee members that departments are exercising sound judgement when determining which of vacant positions they will fill.

## **Steering Committee Recommendations**

The Job Bank Steering Committee recommends that the current hiring and promotion freeze be lifted. While it remains a real possibility that future state revenues will be cut, this should be dealt with through the budget development process rather than an arbitrary hiring and promotion freeze.

Due to the continued uncertainty of state revenues as well as the City's own internal financial challenges, each department must exercise sound judgment when making the determination of filling either current or future vacant positions.

Because future budget reductions will be necessary to balance the City's budget within its limited resources, the committee also recommends that City Council require the department heads to report their hiring decisions on a

monthly basis to the Ways and Means Committee. This will help to ensure that each department has a plan in place to reach their appropriated budget this year, and that they are reassessing their core service delivery with future budget reductions in mind.

## **PART II: JOB BANK PROGRAM OVERVIEW**

### **Background**

In 1995, the City was faced with a pending budget shortfall, which was likely to result in significant position elimination. The City had never faced layoffs of this magnitude and had no formal process to handle them. The potential impact on City employment was magnified by the fact that most of the City's 4100 employees were covered by labor contracts that give them "bumping" rights.

The City Council Ways & Means Committee directed City management to develop a program and offer support to displaced employees. In addition, a labor/management work team was charged with developing a mechanism for "reassigning" City employees into other vacant positions wherever possible.

City leadership was committed to minimizing the disruption of services to the public, to aligning its resources with its service priorities, and to doing the right thing for its loyal employees.

### **Job Bank Purpose**

- To address the challenge of shifting government responsibility from federal and state government to local government.
- To prepare for the limits of a new financial reality of less money for local government.
- To support City employees in time of change with honest, timely information and clear options.
- To assist Department Heads in restructuring by establishing a consistent, reliable reassignment and reallocation process.
- To provide the Mayor/Council assurances that their policy direction will be implemented.

## **Job Bank Benefits**

The Job Bank was designed to maximize the “options” available to displaced employees who would otherwise have only the option to “bump” or to be laid off.

- It provides 120 days of notice to give the opportunity for displaced employees to have their skills and interests assessed;
- Employees receive assistance in effective interviewing and resume development;
- Job Bank participants work closely with assigned “Placement Coordinators” who assist them through the process;
- The Job Bank provides additional job related skills training to employees to assist them to be better prepared for a new position;
- Job Bank employees have first access to open City positions. These employees may transfer into an open position for which they are qualified, anywhere within the City, if the position level is equivalent or lower than their current status. In some cases, this allows employees to move across department, union, and division lines.

## **Job Bank Support Structure Return to Work Program**

- A resolution to create the Return to Work Program passed by City Council in 1994.
- Labor representatives encouraged the City to incorporate Return to Work into the Job Bank.
- City Council took action to incorporate the Return to Work Program into Job Bank on February 1, 1997.
- Return to Work was put into operation in 1997 because of the success of the operation of the Job Bank Program.
- Return to Work/Job Bank establishes a process to deal with the placement of individuals with long term injuries.
- The goal of the Return to Work/Job Bank is to assist the injured worker in obtaining alternate employment within the City.

- This program does not cover temporary personnel.
- Currently the Return to Work/Job Bank program is revised in order to include sworn personnel from the Fire Department.

## Job Bank Results

### Definition of Success:

In the initial design of the Job Bank, the work team defined success as the complete and thorough processing of displaced workers from throughout the City of Minneapolis within the assigned timeframe. The second measure of success will be defined by the successful journey and eventual filling of an FTE assignment through the Job Bank Program with an end result, which supports the reordering of service priorities for the City.

These “model” objectives have clearly been met. In addition, a number of quantifiable indicators demonstrate the success of the program.

### Results: November 1995 to June 1, 2002

260 employees have been through the Job Bank process and have taken advantage of its services.

	Total		
<b>JB Employee Status</b>	<b>EJB</b>	<b>RTW/JB</b>	<b>Total</b>
Current JB clients	9	3	12
Placed in vacancies in their title	58	2	60
Transferred to other job title	44	3	47
City found outside employment	25	0	25
Laid off	40	7	47
Retired	9	0	9
Resigned	6	1	7
Exercised bumping rights	15	0	15
Promoted	9	1	10
Current position funded	8	0	8
Voluntary demotion	7	5	12
Medical Leave	0	1	1
RTW Discharged	0	3	3
RTW restrictions removed	0	1	1
Removed/no longer displaced	3	0	3
<b>Total</b>	<b>233</b>	<b>27</b>	<b>260</b>

- 34 employees took advantage of six months of health insurance coverage; total cost of benefits paid by Job Bank is \$45,791.16.
- Of the 112 employees who had bumping/displacement rights, only 15 exercised option to date.
- Even with positions being cut, the number of women and people of color has increased within the City.
- Staffing within the City is better focused on defined service priorities.

## Job Bank Placements Per Year

As of June 1, 2002

	1995	1996	1997	1998	1999	2000	2001	2002	Total
<b>Economic JB Clients</b>	89	81	16	9	3	5	3	27	233
<b>RTW Clients</b>			4	6	3	5	3	6	27
<b>Total JB Clients</b>	89	81	20	15	6	10	6	33	260
<b>Economic JB Placements</b>	51	58	10	11	1	5	2	16	154
<b>RTW Placements</b>			2	2		4	2	2	12
<b>Total JB Placements</b>	51	58	12	13	1	9	4	18	166
<b>Percentage Placed</b>	0.57	0.72	0.60	0.87	0.17	0.90	0.67	0.55	0.64

Percentages for 2001 and 2002 are incomplete as clients for those years are still in the Job Bank.